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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/751,391	01/02/2001	Kee-hwan Lee	Q62029	7508

7590 08/01/2006

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EXAMINER

HAQ, NAEEM U

ART UNIT PAPER NUMBER

3625

DATE MAILED: 08/01/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/751,391

Applicant(s)

LEE ET AL.

Examiner

Naeem Haq

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE \_\_\_\_ MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 20 April 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-20 and 22-42 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-20 and 22-42 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_.

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on April 20, 2006 has been entered.

Applicants' amendment is sufficient to overcome the rejection of claims 1, 4, 10, 18, 28, 39, and 40 under 35 USC 112, first paragraph. This rejection is withdrawn.

### ***Claim Rejections - 35 USC § 103***

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

**Claims 1-5, 8-13, 16, 17, and 28-42 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (US 6,594,640 B1) in view of Millard et al. (US 2002/0007335 A1).**

Referring to claims 1-5, 8-13, 16, 17, and 28-42, Postrel teaches a method and apparatus for exchanging trading points through a transaction processor connected to a telecommunications network comprising:

Art Unit: 3625

- receiving a request at the transaction processor to trade trading points awarded to a first customer from a member shop (column 6, lines 13-52);
- carrying out a transaction at the transaction processor corresponding to the request to trade trading points with at least one other customer (column 1, lines 22-26, column 5, lines 61-67);
- wherein the trading points are airline mileage points (column 1, lines 14-26; column 6, lines 38-40);
- calculating a balance of the customer's remaining trading points after the customer uses the trading points to purchase a good or service (column 7, lines 31-33);
- collecting information regarding a customer's trading points portfolio from member shops through the network and storing the information in a customer database connected to the network (column 6, lines 30-33; Figure 4);
- changing the customer's trading points into a cash equivalent and processing the customer's trading points according to the resulting cash equivalent (column 6, lines 38-52);
- a customer and transaction database for storing information on the points trade request sent from the customer and a result of processing transactions (Figure 5, Item "54");
- a shopping mall management unit for processing cyber shopping, and providing trading points in proportion to a good purchased and a service

Art Unit: 3625

for buying goods with the trading points (column 1, line 14 - column 3, line 55, Figure 1 ).

Postrel does not explicitly teach that the transaction processor purchases the trading points from a first customer at a first exchange rate and sells the trading points to one other customer at a second exchange rate. However, Postrel teaches that his invention allows users to purchase points traded in by other users (column 1, lines 22-26).

Moreover, Postrel teaches that his invention allows issuers of points to repurchase points at a "substantial discount" using a trading strategy (column 5, lines 61-67; column 9, lines 52-54). Therefore it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to have the invention of Postrel purchase the points from one user at a first exchange rate and sell the points to a second user at a second exchange rate. One of ordinary skill in the art would have been motivated to do so in order to allow the issuers of the points to reduce their liability as taught by Postrel.

Postrel does not teach calculating the difference between the first and second exchange rates as a transaction commission. However, Millard teaches a system and method for exchanging securities wherein revenue (i.e. commission) is based on the difference between bid and ask prices (i.e. first and second exchange rates) (paragraph [0058]).

Therefore it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to incorporate the teaching of Millard into the invention of Postrel.

One of ordinary skill in the art would have been motivated to do so in order to allow the system operator of the trading server in Postrel to generate revenue from the trade as taught by Millard.

**Claims 6, 7, 14, 15, 18-20, and 22-27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (US 6,594,640 B1) in view of Millard et al. (US 2002/0007335 A1).**

Referring to claims 6, 7, 14, 15, and 18-27, Postrel teaches a method and apparatus for exchanging trading points through a transaction processor connected to a telecommunications network comprising:

- receiving a request at the transaction processor to trade trading points awarded to a first customer from a member shop (column 6, lines 13-52);
- carrying out a transaction at the transaction processor corresponding to the request to trade trading points with at least one other customer (column 1, lines 22-26, column 5, lines 61-67);
- wherein the trading points are airline mileage points (column 1, lines 14-26; column 6, lines 38-40);
- calculating a balance of the customer's remaining trading points after the customer uses the trading points to purchase a good or service (column 7, lines 31-33);
- collecting information regarding a customer's trading points portfolio from member shops through the network and storing the information in a customer database connected to the network (column 6, lines 30-33; Figure 4);

Art Unit: 3625

- changing the customer's trading points into a cash equivalent and processing the customer's trading points according to the resulting cash equivalent (column 6, lines 38-52).

Postrel does not explicitly teach that the transaction processor purchases the trading points from a first customer at a first exchange rate and sells the trading points to one other customer at a second exchange rate. However, Postrel teaches that his invention allows users to purchase points traded in by other users (column 1, lines 22-26).

Moreover, Postrel teaches that his invention allows issuers of points to repurchase points at a "substantial discount" using a trading strategy (column 5, lines 61-67; column 9, lines 52-54). Therefore it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to have the invention of Postrel purchase the points from one user at a first exchange rate and sell the points to a second user at a second exchange rate. One of ordinary skill in the art would have been motivated to do so in order to allow the issuers of the points to reduce their liability as taught by Postrel.

Postrel does not teach calculating the difference between the first and second exchange rates as a transaction commission. However, Millard teaches a system and method for exchanging securities wherein revenue (i.e. commission) is based on the difference between bid and ask prices (i.e. first and second exchange rates) (paragraph [0058]).

Therefore it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to incorporate the teaching of Millard into the invention of Postrel.

One of ordinary skill in the art would have been motivated to do so in order to allow the system operator of the trading server in Postrel to generate revenue from the trade as

Art Unit: 3625

taught by Millard. Postrel and Millard do not teach updating a customer database and a transaction database according to a result from the trading points transaction, and sending the result to the corresponding member shop. However, Postrel teaches that a reward server (i.e. member shop) decreases a user's reward points after it receives communication from the trading server (column 6, lines 25-38). Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to incorporate the step of updating the database and sending the result to the corresponding member shop. One of ordinary skill in the art would have been motivated to do so in order to create a record of the transaction and to notify the member shop of the transaction so that it could update its database. This would serve as a "paper trail" to document the transaction in the event that a dispute occurred at a later time.

### ***Response to Arguments***

Applicants' arguments filed April 20, 2006 have been fully considered but they are not persuasive. The Applicants have argued that the cited prior art does not teach or suggest an exchange of trading points between two customers or that the purchase of points occurs prior to their redemption by other users. The Examiner respectfully disagrees and notes that the claim language recites the following limitation:

*"...wherein the transaction processor purchases trading points...from the first customer...and sells the purchased trading points to the at least one other customer..."* (claim 1, lines 6-9).

Art Unit: 3625

Thus it is clear from this limitation that the processor purchases the trading points from the first customer before selling them to another customer. In other words, the points are redeemed by the first customer because the first transaction is between the first customer and the processor. The processor then sells the points to another customer in a separate transaction. Thus, the exchange of trading points is nothing more than the transaction processor buying points from one user and selling them to another user. This exactly what Postrel teaches. Postrel teaches that point are bought from one user and sold to another user (col. 1, lines 22-26). Furthermore, the claim language does not recite whether the exchange occurs before or after the redemption by the user. For this reason, the Examiner maintains the art rejection.

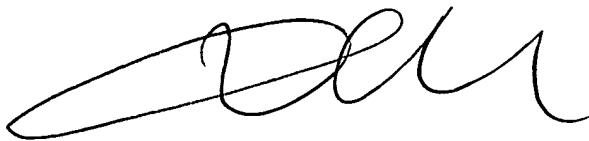
### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Naeem Haq whose telephone number is (571)-272-6758. The examiner can normally be reached on M-F 8:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on (571)-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3625

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

A handwritten signature in black ink, appearing to read 'Naeem Haq', is written over a horizontal line.

**Naeem Haq**, Patent Examiner  
Art Unit 3625

July 24, 2006